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ON PAGE A-

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## Reagan Defends U.S. Right to Use Covert Activity

By Joanne Omang 'Washington Post Staff Writer

President Reagan last night broadly defended the right of the U.S. government to use covert action as a foreign policy tool "when it believes its interests are best served."

Speaking on the eve of today's House debate on whether to cut off covert U.S. aid to guerrillas trying to overthrow the leftist Sandinista government of Nicaragua. Reagan refused to discuss "specific operations down there." such as recent attacks on a Nicaraguan oil depot.

"I do believe in the right of a country, when it believes its interests are best served, to practice covert activity." the president said at his news conference. "and then, while your people may have the right to know, you can't

let your people know without letting the wrong people know—those who are in opposition to what you're doing.

In another statement of the administration position vesterday. Secretary of State George P. Shultz warned House leaders that cutting off C!A support of the anti-Sandinista guerrillas would "undermine the cause of peace and democracy" and "virtually destroy" chances for a negotiated settlement in Central America.

Reagan has repeatedly argued that his administration its not doing anything to try and overthrow the Nicaraguan government.

But House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) said, in effect, that Shultz was asking him to do

In a letter to O'Neill and Minority Leader Robert H. Michel (R-Ill.). Shultz said, "The administration policies to help bring peace to Central America are now beginning to bear fruit. I urge the House not to impose restrictions on this policy and thereby undermine the cause of peace and democracy that we all support."

O'Neill responded that Shultz "has requested my support of a U.S. policy of arming those seeking to overthrow the government of Nicaragua." To achieve peace.

O'Neill said. "The U.S. snourd support other governments, not try to overthrow them."

Also yesterday, sources close to the Nicaraguan government said the Sandinistas are preparing to present a major new peace initiative to Washington.

The four-part proposal deals with U.S.-Nicaraguan relations, the conflict in El Salvador, and relations with Honduras and the rest of the isthmus, the sources said.

The sources cautioned that the Nicaraguans are anxious to avoid appearing to give in to U.S. pressure.

They described the proposal as a response not only to the current situation in Nicaragua but also to what they called a slight opening in the administration attitude perceived last week during conversations between Sandinista leaders and Assistant Secretary of State for Latin America Langhorne A. Motley.

Today's House vote on covert aid to the anti-Sandinista guerrillas, expected to be close, will be preceded by a rare closed debate of classified information. Unlike the last closed session on Nicaragua, which was called by Reagan administration supporters to defend the covert aid program there, this one was requested by Rep. Edward P. Boland (D-Mass.), chairman of the House Intelligence Committee and sponsor of the amendment to stop funding the covert operation.

A Democratic staff aide said Boland would use the closed session to "directly challenge the administration on how the support program helps or hinders regional negotiations" and to "stress how U.S. objectives have changed and how the conflict is deepening there with the concurrent greater risk of pulling us in militarily."

The aide said congressmen also were likely to discuss recent splits within the ranks of the U.S.-backed rebels and the degree to which the anti-Sandinista guerrilla groups respond to U.S. efforts to control them.

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